



Washington State  
Transportation Commission

# 2009 Ferry Fare Proposal

## Briefing Materials

August 2009

## 2009 WSTC FERRY FARE PROPOSAL

### Background Information



## How is this Tariff Cycle different from Previous Cycles?

There are a couple of key factors that differentiate the 2009 tariff process from prior tariff cycles:

- The Tariff Policy Committee (TPC) no longer exists. In the absence of the TPC, Washington State Ferries (WSF), the Washington State Transportation Commission (WSTC), and the Ferry Advisory Committee (FAC) Executive Council developed an interim process for 2009. The process used to develop this proposal was as follows:
  - WSF is required by state law to develop a fare proposal for WSTC consideration
  - WSF shares a DRAFT of its proposal with the FAC Executive Council to solicit feedback
  - WSF incorporates feedback into a final fare proposal and presents to the WSTC
  - WSTC considers the WSF proposal, determines if and how the proposal should be modified before finalizing a formal proposal for public review and comment.
  - For this tariff cycle, WSTC proposes significant modifications to WSF's proposal
- The timeline for tariff implementation was shortened. An October implementation date for new fares is logical from an operational standpoint. As seasonal surcharges come off in October, the new fare structure is implemented, allowing for a smoother transition for customers. However, this means that from the time the Legislature passed the Transportation Budget, establishing the amount of revenue fares must generate, there was less time available to develop a fare proposal and conduct extensive public outreach as has been done in the past.

### Process of Future Tariff Cycles

The WSTC and the FAC Executive Council have begun discussing what the process for future tariff cycles might entail. While no final decisions have been made, there is an understanding that broader stakeholder input and representation is desirable.

## Why change fares?

**State funding covers a portion of the Ferry System's operating costs, and fares need to cover the rest.**

The 2009-11 Transportation Budget, enacted by the State Legislature, includes a financial plan with fare revenue targets. Using ridership projections provided by the Transportation Revenue Forecast Council, the WSTC must adopt a fare proposal to meet that revenue target.

## Seattle-Vashon Passenger Only Ferry

In fall 2009, WSF will pass operation of the Seattle-Vashon Passenger Only Ferry to the King County Marine Division. Since this route will no longer be operated by WSF, passenger only fares are no longer included in WSF fare tables, and are not included in this proposal. Fares on this route will be set by the King County Marine Division going forward.

# 2009 WSTC FERRY FARE PROPOSAL

## Public Participation

***The public is invited to comment on the fare proposal***



### Public Comment Period

Public input to the WSTC is an important part of the tariff updating process. Three public meetings and a public hearing are scheduled to be held by WSTC throughout the Ferry System's service area. Also, comments can be forwarded via postal mail, e-mail, or phone. The public comment period is under way and will extend through the end of the Transportation Commission public hearing on September 8, 2009. The WSTC can modify its proposal before final adoption at the hearing, so your comments do count. Assuming Commission action at the hearing, fares would take effect on October 11, 2009.

### Public Meetings

*(No Commission action will be taken at these meetings)*

#### San Juan Islands

Meeting Date: Monday, August 31  
11:35AM – 1:55PM  
Location: On-board the interisland ferry  
(departing Friday Harbor at  
11:35AM, Orcas at 12:30PM,  
Shaw at 12:45PM, Lopez at  
1:05PM, and returning to Friday  
Harbor at 1:55PM)

#### Vashon Island

Meeting Date: Wednesday, September 2  
6:00PM – 8:00PM  
Location: McMurray Middle School  
Multipurpose Room  
9329 Cemetery Rd SW  
Vashon

#### Silverdale

Meeting Date: Tuesday, September 1  
6:00PM – 8:00PM  
Location: Silverdale Beach Hotel  
3073 NW Bucklin Hill Rd  
Silverdale

### Transportation Commission Public Hearing

*(Commission action planned)*

#### Seattle

Meeting Date: Tuesday, September 8  
1:00PM – 5:00PM  
Location: Puget Sound Regional Council  
1011 Western Avenue, Suite 500  
Seattle

*Testify in person or via the conference call line:  
(712) 432-1620, PIN 404317#*

#### Other Ways to Comment

Website: <http://wstc.wa.gov/FerryFareSetting2009>  
E-mail: [transc@wsdot.wa.gov](mailto:transc@wsdot.wa.gov)  
Phone: (360) 705-7070  
Postal Mail: Tariff Proposal  
Washington State  
Transportation Commission  
PO Box 47308  
Olympia, WA 98504-7308

# 2009 WSTC FERRY FARE PROPOSAL

## Fare Proposal Elements

***The Fare Proposal consists of 6 elements***



### 1. General Fare Increase: 2.5%

- Increase fares on Central Sound routes by 2.5%, plus nickel rounding
- Set fares on other routes based on their Tariff Route Equity (TRE) relationship to Central Sound fares
- Continue TRE phasing on the San Juan Interisland routes with a 7.5% increase (2.5% general increase and 5.0% TRE increase), plus nickel rounding
- Increase fares on International routes by 2.5%, plus nickel rounding

### 2. Discontinue 5% Tollbooth Surcharge Option

- Remove WAC language allowing a 5% surcharge on multi-ride cards purchased at tollbooths

### 3. Remove "Pilot" Status of In-Need Organization Program

- Make the In-Need Organization discount program permanent, and remove the "pilot" status from its title

### 4. Reservation Deposits

- Create a policy that standardizes reservation deposits across all routes that accept reservations
- Give WSF the authority to collect a reservation deposit of up to 100% of the full fare on all routes. This is a deposit toward the eventual fare, and not an additional fee.

### 5. Three-Season Fare Structure

For 2009-2010, seasons are defined as follows (see following pages for surcharges):

- Base Season will be from October 11, 2009 through April 30, 2010
- Shoulder Season will be from May 1, 2010 through June 23, 2010 and from September 8, 2010 through October 9, 2010
- Summer Season will be from June 24, 2010 through September 7, 2010

### 6. Fire District Agreements

- Allow WSF to enter into agreements for free passage when on emergency calls in lieu of payment for fire protection services at ferry terminals

## 2009 WSTC FERRY FARE PROPOSAL

### 1. General Fare Increase: 2.5%

***Increase most fares by 2.5% and continue TRE implementation***



#### Increase Fares 2.5% in October 2009

The proposal calls for the Central Sound vehicle and passenger fares to be raised by 2.5%, effective October 11, 2009. All vehicle and passenger fares will be rounded up to the next nickel. Other routes will be adjusted based on their Tariff Route Equity (TRE) relationship to Central Sound routes, and to continue TRE phasing. As a result of TRE relationships, not all routes and fare categories experience a fare increase of exactly 2.5%.

International routes from Anacortes and the San Juan Islands to Sidney, B.C. are not subject to TRE relationships, but rather based on a market comparison to other services to Vancouver Island. The fares on these routes will also be increased by 2.5% on October 11, 2009.

A 2.5% general fare increase is consistent with Governor and legislative guidance from the 2009 Session, and is designed to meet the fare revenue requirements included in the 2009-11 Transportation Budget. This is the only increase contained in WSF's proposal to the WSTC.

#### Continue TRE Phasing on San Juan Interisland Routes

##### Tariff Route Equity

In 2001, the Tariff Policy Committee implemented a time-based ferry fare structure called Tariff Route Equity, in which vehicle fares consider the relative crossing time on each route.

The intent of the policy is to ensure that customers are paying in proportion to the amount of service they use. As a result of TRE, all routes do not experience the same level of ferry fare increase.

The final WSTC proposal calls for the continued phasing of TRE on the San Juan Interisland routes, the only part of the system that has not yet reached its desired TRE relationship to the Central Sound fares.

For the fare increase effective October 11, 2009, San Juan Interisland vehicle fares will increase by 5% more than the general fare increase, for a total increase of 7.5%.

In order to achieve full, system-wide TRE implementation, one more fare increase above the general increase will be needed on the San Juan Interisland route. Assuming 2.5% general fare increases in 2009 and 2010 the San Juan Interisland auto and driver full fare would increase as follows:

**Current Fare:** \$16.65

**Proposed 2009 Fare:** \$17.95 (7.5% increase with rounding)

**Estimated 2010 Fare to achieve full TRE implementation:**  
\$18.75 (4.5% increase with rounding)

## 2009 WSTC FERRY FARE PROPOSAL

### 2. Discontinue 5% Tollbooth Surcharge Option



#### Remove the Option to Charge a 5% Surcharge on Tollbooth Purchases

This proposal calls for removal of the WAC language that allows WSF the option of charging a 5% surcharge on multi-ride cards when purchased at tollbooths (as opposed to automated purchase points such as kiosks or online). This surcharge (which has never been implemented) was designed to encourage customers to make purchases away from the tollbooth in order to 1) reduce cash transactions, and 2) decrease transaction and wait times at terminals. The surcharge was originally planned for implementation in 2006, but complexities in the rollout of Wave2Go and the ferry fare freeze of 2007 put it on hold.

In the meantime, customers have voluntarily moved toward purchasing ferry tickets electronically, both through Wave2Go and the new ORCA website. Since this behavioral shift is already occurring, a disincentive such as a tollbooth surcharge is unnecessary, and negatively affects customers who do not have the option to purchase tickets electronically.

### 3. Remove "Pilot" Status of In-Need Organization Program



#### Make the In-Need Organization Program permanent; Remove "Pilot" Designation

This proposal calls for making the In-Need Organization Program permanent, and for removing the "Pilot" designation. This program serves a small number of non-profit organizations, providing a discounted, multi-ride fare to these organizations and their constituents.

When WSF switched from coupon books to multi-ride cards, it effectively eliminated the severability of individual tickets within a coupon book. Non-profit organizations used to be able to tear out single-use ticket book coupons to provide single trip discounts for their in-need client's transportation.

Recognizing the new financial burden this put on certain organizations, the In-Need Organization Pilot Program was developed for non-profit, non-governmental organizations. The Program allows discounted single ticket purchases so that non-profits can give an in-need client one ticket at the frequent user discount price. The Program currently serves five organizations (two on Vashon Island, two in Kitsap County, and one on Lopez Island) that purchase a total of 30 passenger fares and 30 vehicle fares per month.

### 4. Reservation Deposits



#### Allow 25% - 100% Deposit for Vehicle Reservation on All Routes that Accept Reservations

WSF currently operates three different reservation systems: (1) International routes; (2) Port Townsend-Keystone; and (3) commercial vehicles in the San Juan Islands.

On Port Townsend-Keystone (and to a small extent on Sidney routes), no-shows have been identified as a significant issue. On the Port Townsend-Keystone route, there are no deposits required, and on the Sidney routes, the size of the deposit has not been updated to reflect fare increases, diluting its deterrent effect.

This proposal calls for updating the reservation policy to account for these issues, as well as to align potential reservation deposit policy across all routes as WSF moves toward a system-wide reservation system.

The proposed policy is to allow for non-refundable reservation deposits of up to 100% of the full car and driver fare on all routes to hold the reservation. This is not an additional fee but simply a prepayment of the fare or a portion of the fare.

The proposal would not change the current reservations policies for the commercial reservation program in the San Juan Islands.

The proposed WAC language is as follows:

*VEHICLE RESERVATION DEPOSIT – non-refundable deposits for advance vehicle reservations may be established at a level of from 25 to 100 percent of the applicable fare. This is a deposit toward the fare and not an additional fee, and applies only to those routes where the legislature has approved the use of a reservation system. Refunds may be available under certain circumstances.*

#### Reservation System Pre-Design Study

WSF, along with a Partnership Group of ferry community members and stakeholders, is currently conducting a Pre-Design Study for a potential vehicle reservation system, which is the primary demand management strategy included in the 2009-2031 WSF Long-Range Strategic Plan.

A major benefit of a reservation system is that WSF can operate a high quality service with the smallest possible terminal facilities, while providing predictability for customers and mitigating queuing impacts around terminals.

Most large ferry systems around the world have reservation systems, and their experiences have created a knowledge base that will help WSF implement its own system. Several ferry systems in North America, as well as elsewhere in the world, were contacted to discuss their systems and how they addressed policy issues.

The Reservation System Pre-Design Study will be released publicly on December 15, 2009. The State Legislature will review the Study during the 2010 legislative session, and must approve it if the system is to go forward.



## 2009 WSTC FERRY FARE PROPOSAL

### 5. Three-Season Fare Structure



#### Move to a Three-Season (Base, Shoulder, Summer) Fare Structure on All Routes

The current ferry fare structure is based on two seasons:

1. The Peak Season, from May 1<sup>st</sup> through the second Sunday in October, when the system is busiest; and
2. The Base Season, which includes the rest of the year

Based upon the findings of the WSTC's 2009 Long-Term Ferry Funding Study, this proposal introduces a three-season structure that better represents the distribution of ferry traffic throughout the year:

1. The Base Season, from the second Sunday in October (October 11, 2009) through April 30<sup>th</sup>.

Base season fares have been increased by the 2.5% general fare increase, plus nickel rounding. The San Juan Islands interisland route has been increased by an additional 5% for TRE implementation (see page 4).

2. The Shoulder Season, from May 1<sup>st</sup> through the Wednesday before the last Thursday in June (June 23, 2010) AND the Wednesday after Labor Day through the Saturday before the second Sunday in October (October 9, 2010).

These Shoulder Season fares retain the same structure as current "Peak Season" fares.

- Vehicle fares are 25% higher than the corresponding base season fare (and 35% higher on the San Juan Islands routes).
  - Passenger fares are 20% higher than the base season fare on San Juan Islands routes only (not applicable to multi-ride fares).
  - The Shoulder Season surcharge applies to single-fare purchases only (surcharges are not applicable to multi-ride/frequent user fares).
3. The Summer Season, from the last Thursday in June through the Tuesday after Labor Day.

Per the Long-Term Ferry Funding Study recommendations, this proposal introduces a "peak summer surcharge," at a 10% increase above the Shoulder Season fares. This 10% increase is applicable to both vehicle and passenger single-fare purchases on all routes (not applicable to multi-ride/frequent user fares).

## 2009 WSTC FERRY FARE PROPOSAL

### 5. Three-Season Fare Structure (Cont.)



The following table gives examples for how the three season fare structure affects some fare categories. The WSTC website (<http://wstc.wa.gov/FerryFareSetting2009>) includes proposed fares for all fare categories.

Proposed 2009 Fares			
	Base Season	Shoulder Season	Summer Season
<b>Central Sound Routes</b>			
Full Fare: Car and Driver ( <i>one way</i> )	\$11.85	\$14.85	\$16.00
Full Fare: Passenger ( <i>round trip</i> )	\$6.90	\$6.90	\$7.60
Freight: 20' -30', over 7'6" tall ( <i>one way</i> )	\$35.55	\$44.55	\$48.00
Multiride Media ( <i>ten roundtrips</i> )	\$189.60	\$189.60	\$189.60
<b>Anacortes – Friday Harbor (Early Week)</b>			
Full Fare: Car and Driver ( <i>round trip</i> )	\$35.05	\$47.35	\$50.85
Full Fare: Passenger ( <i>round trip</i> )	\$10.10	\$12.15	\$13.15
Freight: 20' -30', over 7'6" tall ( <i>round trip</i> )	\$105.15	\$142.05	\$152.55
Multiride Media ( <i>five roundtrips</i> )	\$145.90	\$145.90	\$145.90
<b>Fauntleroy - Vashon</b>			
Full Fare: Car and Driver ( <i>round trip</i> )	\$15.20	\$19.00	\$20.55
Full Fare: Passenger ( <i>round trip</i> )	\$4.45	\$4.45	\$4.90
Freight: 20' -30', over 7'6" tall ( <i>round trip</i> )	\$45.60	\$57.00	\$61.65
Multiride Media ( <i>ten roundtrips</i> )	\$121.60	\$121.60	\$121.60



#### Allow WSF Flexibility to Enter in Agreements with Fire Districts

This proposal element gives WSF flexibility to enter into agreements with fire districts for free passage when on emergency calls in lieu of payment for fire protection services at terminals. This would not affect fares for other customers and would be considered on a case by case basis.

The proposed WAC language is as follows:

*FIRE DEPARTMENT AND FIRE DISTRICT FARE CONSIDERATION - At the discretion of the WSF Assistant Secretary, WSF may authorize no-fare or discounted fare passage on scheduled and/or special ferry sailings for fire departments and fire districts that provide contracted fire protection services for WSF ferry terminals and/or other WSF facilities within their jurisdiction. Such passage shall be considered full and complete consideration for such fire protection services, in lieu of annual payments for such services, to be so noted in such fire protection agreements. The scope of such authorization includes designated fire department and fire district vehicles (see below), drivers and passengers en route to and from an emergency call, on ferry routes with a WSF terminal and/or other WSF facility served by a fire department or fire district pursuant to a WSF fire protection service agreement. Authorized vehicles may include public fire department and fire district medical aid units, fire trucks, incident command and/or other vehicles dispatched to and returning from an emergency call. WSF may implement such ferry passage on a pilot project basis to assess the operational, financial and administrative impact on WSF. By June 30, 2011, WSF shall submit a written report to the Transportation Commission identifying such impacts with a recommendation whether to make such passage authorization a permanent component of the WSF ferry toll schedule.*

# 2009 WSTC FERRY FARE PROPOSAL

## Attachment A

### Implications of Proposal on Principal Fare Categories



CAR & DRIVER FARES Route	Full Fare - Base		Full Fare Shoulder		Full Fare Summer		Multi Ride Media	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Vashon Island (RT)	\$14.80	\$15.20	\$18.50	\$19.00	\$18.50	\$20.55	\$118.40	\$121.60
Mukilleo-Clinton (1-way)	\$6.85	\$7.00	\$8.60	\$8.75	\$8.60	\$9.45	\$109.60	\$112.00
Central Sound (1-way)	\$11.55	\$11.85	\$14.45	\$14.85	\$14.45	\$16.00	\$184.80	\$189.60
Fauntleroy-Southworth (1-way)	\$8.90	\$9.15	\$11.15	\$11.45	\$11.15	\$12.40	\$142.40	\$146.40
Keystone-Port Townsend (1-way)	\$8.90	\$9.15	\$11.15	\$11.45	\$11.15	\$12.40	\$142.40	\$146.40
<b>Early Week (Monday-Wednesday)</b>								
Anacortes - Lopez (RT)	\$23.95	\$24.55	\$32.35	\$33.15	\$32.35	\$35.60	\$99.75	\$102.20
Anacortes - Shaw, Orcas (RT)	\$28.75	\$29.45	\$38.85	\$39.80	\$38.85	\$42.75	\$119.65	\$122.65
Anacortes - Friday Harbor (RT)	\$34.15	\$35.05	\$46.15	\$47.35	\$46.15	\$50.85	\$142.15	\$145.90
<b>End of Week (Thursday-Sunday)</b>								
Anacortes - Lopez (RT)	\$26.60	\$27.25	\$35.95	\$36.80	\$35.95	\$39.55	\$99.75	\$102.20
Anacortes - Shaw, Orcas (RT)	\$31.90	\$32.70	\$43.10	\$44.15	\$43.10	\$47.45	\$119.65	\$122.65
Anacortes - Friday Harbor (RT)	\$37.90	\$38.90	\$51.20	\$52.55	\$51.20	\$56.45	\$142.15	\$145.90
San Juan Interisland (RT)	\$16.65	\$17.95	\$20.85	\$22.45	\$20.85	\$24.25	\$66.60	\$71.80
Anacortes - Sidney (1-way)	\$42.95	\$44.05	\$53.70	\$55.10	\$53.70	\$59.50	N/A	N/A
Islands - Sidney (1-way)	\$12.80	\$13.15	\$27.50	\$28.20	\$27.50	\$29.60	N/A	N/A

**Shoulder Season** is effective May 1 through the Wednesday before the last Thursday in June, AND the Wednesday after Labor Day through the Saturday before the second Sunday in October.

**Summer Season** is effective the last Thursday in June through the Tuesday after Labor Day.

PASSENGER FARES Route	Full Fare - Base		Full Fare Shoulder		Full Fare Summer		Multi Ride Media		Monthly Passes	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Vashon Island (RT)	\$4.30	\$4.45	\$4.30	\$4.45	\$4.30	\$4.90	\$34.40	\$35.60	\$55.05	\$57.00
Mukilleo-Clinton (RT)	\$3.95	\$4.10	\$3.95	\$4.10	\$3.95	\$4.55	\$31.60	\$32.80	\$50.60	\$52.50
Central Sound (RT)	\$6.70	\$6.90	\$6.70	\$6.90	\$6.70	\$7.60	\$53.60	\$55.20	\$85.80	\$88.35
Fauntleroy-Southworth (RT)	\$5.20	\$5.30	\$5.20	\$5.30	\$5.20	\$5.85	\$41.60	\$42.40	\$66.60	\$67.85
Keystone-Port Townsend (1-way)	\$2.60	\$2.65	\$2.60	\$2.65	\$2.60	\$2.95	\$41.60	\$42.40	\$66.60	\$67.85
<b>Early Week (Monday-Wednesday)</b>										
Anacortes - Lopez (RT)	\$9.85	\$10.10	\$11.85	\$12.15	\$11.85	\$13.15	\$71.20	\$72.80	N/A	N/A
Anacortes - Shaw, Orcas (RT)	\$9.85	\$10.10	\$11.85	\$12.15	\$11.85	\$13.15	\$71.20	\$72.80	N/A	N/A
Anacortes - Friday Harbor (RT)	\$9.85	\$10.10	\$11.85	\$12.15	\$11.85	\$13.15	\$71.20	\$72.80	N/A	N/A
<b>End of Week (Thursday-Sunday)</b>										
Anacortes - Lopez (RT)	\$10.95	\$11.20	\$13.15	\$13.45	\$13.15	\$14.60	\$71.20	\$72.80	N/A	N/A
Anacortes - Shaw, Orcas (RT)	\$10.95	\$11.20	\$13.15	\$13.45	\$13.15	\$14.60	\$71.20	\$72.80	N/A	N/A
Anacortes - Friday Harbor (RT)	\$10.95	\$11.20	\$13.15	\$13.45	\$13.15	\$14.60	\$71.20	\$72.80	N/A	N/A
San Juan Interisland (RT)	N/C	N/C	N/C	N/C	N/C	N/C	N/C	N/C	N/C	N/C
Anacortes - Sidney (1-way)	\$16.00	\$16.40	\$16.00	\$16.40	\$16.00	\$18.05	N/A	N/A	N/A	N/A
Islands - Sidney (1-way)	\$6.00	\$6.15	\$6.00	\$6.15	\$6.00	\$6.80	N/A	N/A	N/A	N/A

N/A = Not Available, N/C = No Charge

Multi-Ride Media includes tickets for 10 round trips, except in the San Juan Islands where it includes tickets for 5 round trips. All coupon books expire after 90 days.